

## 1 SENATE BILL NO. 555

2 INTRODUCED BY J. ESSMANN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A REFUNDABLE PROPERTY TAX CREDIT TO BE  
5 PAID IN 2008 BASED UPON PAYMENT OF STATEWIDE SCHOOL AND UNIVERSITY SYSTEM PROPERTY  
6 TAX LEVIES IN 2007; AND PROVIDING A CONTINGENT VOIDNESS PROVISION AND A TERMINATION  
7 DATE."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11 NEW SECTION. **Section 1. Totally refundable credit for certain property tax payments.** (1) (a) As  
12 provided in this section, owners of class three property described in 15-6-133, class four property described in  
13 15-6-134, and class ten property described in 15-6-143 are allowed a credit of 104% of the property taxes paid  
14 in 2007 by a taxpayer or taxpayers on their property that is attributable to property taxes assessed on those  
15 classes of property under 15-10-107, 20-9-331, 20-9-333, 20-9-360, and 20-25-439.

16 (b) The credit applies to paid property taxes attributable to levies under 15-10-107, 20-9-331, 20-9-333,  
17 20-9-360, and 20-25-439 for the May 2007 property tax bill and the November 2007 property tax bill.

18 (c) The taxpayer shall apply for the refund on the taxpayer's return under Title 15, chapter 30 or 31. A  
19 claim for the credit, in the form that the department prescribes, must be executed by each taxpayer under penalty  
20 of false swearing and must include the information that the department requires.

21 (d) The department may not apply the amount of the credit against the taxpayer's liability under Title 15,  
22 chapter 30 or 31, but shall mail refunds to qualified taxpayers. The department shall mail a check to each  
23 qualified taxpayer for one-half of the refund amount on May 1, 2008, and for one-half of the refund amount on  
24 October 15, 2008. If, because of the ending date of a taxpayer's tax year or extensions requested by a taxpayer,  
25 the return date prevents payment of one or both of the payment dates, the department may mail a single payment  
26 in October or, if that is impractical, within 45 days of the date the return is filed.

27 (2) If the refund allowed under this section is claimed by a small business corporation, as defined in  
28 15-30-1101, a pass-through entity, or a partnership, the refund must be attributed to shareholders, owners, or  
29 partners using the same proportion used to report the entity's income or loss.

30 (3) (a) The personal representative of the estate of a deceased taxpayer may execute and file the claim

1 for refund on behalf of a deceased taxpayer who qualifies for the refund.

2 (b) Only one claim may be made with respect to any property.

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4 NEW SECTION. **Section 2. Contingent voidness.** If both Senate Bill No. 529 and \_ Bill No. \_ [LC  
5 1054] are not passed and referred to the electorate, then [this act] is void.

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7 NEW SECTION. **Section 3. Relationship to tax law.** The provisions of Title 15, chapters 30 and 31,  
8 apply to [section 1].

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10 NEW SECTION. **Section 4. Termination.** [This act] terminates June 30, 2009.

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